

IN THE UNITED STATES PATENT AND TRADEMARK OFFICE

In re Application of: Joseph **KOCHANSKY**

Application No.: 10/657,535

Filed: September 8, 2003

For: **SYSTEM AND METHOD FOR
DETERMINING THE BUYING
POWER OF AN INVESTMENT
PORTFOLIO**

Art Unit: 3693

Examiner: Bartley, Kenneth

Confirmation No.: 9877

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PRE-APPEAL BRIEF REQUEST FOR REVIEW

Applicant requests review of the final rejection in the above-identified application.

No amendments are being filed with this request.

This request is being filed with a Notice of Appeal.

The review is requested for the reasons stated in the five attached sheets.

CERTIFICATE OF TRANSMISSION

I hereby certify that this paper (along with any paper referred to as being attached or enclosed) is being transmitted via the Office electronic filing system in accordance with 37 C.F.R. 1.6(a)(4).

Dated: February 4, 2011

Signature: /Jacob P. Martinez #57924/ (Jacob P. Martinez)

REASONS FOR REQUEST FOR REVIEW

Review of the rejections in the final Office Action (mailed August 4, 2010) for this application is respectfully requested. This review is being requested because:

- The Office has failed to establish a prima facie case of obviousness under 35 U.S.C. § 103(a) with regard to claims 1, 6, 7, 22–25, 28, and 32;
- The Office has failed to give patentable weight to structural features recited in claims 1, 6, 7, 22–25, 28, and 32; and
- The Office has misinterpreted the requirements of 35 U.S.C. § 112 in rejecting claim 25.

Failure to Establish a Prima Facie Case under 35 U.S.C. § 103

See Amendment and Response (dated March 29, 2010), pp. 10–17

The Office has failed to establish a prima facie case of obviousness under 35 U.S.C. § 103(a) with regard to claims 1, 6, 7, 22–25, 28, and 32. In the final Office Action, claims 1, 22, 25, and 32 were rejected as being unpatentable over U.S. Patent No. 5,893,079 to Cwenar in view of U.S. Patent Application Publication No. 2002/0082979 to Sands and U.S. Patent Application Publication No. 2002/0059107 to Reich. The Office also rejected claims 6, 7, 23, and 24 over Cwenar in view of Sands and Reich, and further in view of U.S. Patent Application Publication No. 2004/0220872 to Pollock. Finally, the Office rejected claim 28 over U.S. Patent No. 6,820,069 to Kogan in view of Reich and Cwenar.

Each of the rejections relies on Cwenar for the disclosure of a rule description box, displayed with a buying power message box to define how displayed transaction limits were calculated. The Office argues that an audit trail, as disclosed in Cwenar, “would describe in detail how a transaction limit for a compliance rule was calculated.” But the audit trail report disclosed in Cwenar is not equivalent to the rule description box claimed by the Applicant. The system of Cwenar produces a report or record indicating that a trade was attempted in violation of predetermined rules. *See* Cwenar, col. 12, lines 28–30. There is no support in Cwenar for the assumption that the reports produced by the system show in detail how transaction limits for compliance rules were calculated. The Office argues that “an audit trail is just that, a step-by-step detail of how a number is determined” and that “Cwenar has not defined or redefined what an audit trail is in their specification, therefore, the common understood meaning is appropriate.”

The Office has not provided any evidence that its preferred definition is indeed the “common understood meaning” of the term “audit trail report.” Further, the disclosure of Cwenar supports the conclusion that an “audit trail report” is nothing more than a report or record of rule violations. *See* Cwenar, col. 13, lines 11–14; col. 11, lines 58–63; col. 12, lines 53–56. Because none of the references cited against the claims—including Cwenar—disclose displaying a buying power message box along with a rule description box that defines how a transaction limit was calculated, a prima facie case of obviousness under 35 U.S.C. § 103 has not been established.

Failure to Give Patentable Weight to Structural Features

See Amendment and Response (dated March 29, 2010), pp. 13–14)

The Office has failed to give patentable weight to structural elements of the claimed invention by labeling the buying power message box and the rule description box recited in the claims as “mere arrangements of data” and “non-functional descriptive material.” Applicant respectfully submits that the steps of displaying a buying power message box showing a sorted set of compliance rules and the calculated transaction limit for each rule together with a rule description box that defines how the transaction limit was calculated requires a functional interrelationship among the data being displayed and the computing process performed when utilizing that data. There is no basis for labeling these steps or means described in the claims as nonfunctional descriptive material and then summarily ignoring them, as the Office has done.

Applicant is not seeking to patent the content of the display devices or of the compliance rules database; Applicant seeks to patent data structures that impose physical organization on data. The Federal Circuit has explicitly stated a computer memory containing a stored data structure should be given patentable weight when the data structure imparts a physical organization to the information stored in the memory. *In re Lowry*, 32 F.3d 1579, 1582–83 (Fed. Cir. 1994). The Office argues that “if displays were patentable (non-functional descriptive material), any display ever created on a computer that was different could be patented as being unique.” Final Office Action, p. 6. But the Applicant is not seeking to patent the data shown on the display at a given time. In *Lowry*, the Federal Circuit noted that the applicant sought to patent neither the concept of a data model in the abstract nor the content of data resident in a database; rather, the applicant sought to patent data structures that imposed a physical organization on data. *Id.* at 1583. The same reasoning applies here. Applicant is not seeking to

patent the data that is displayed, but the process of calculating and displaying the data in a certain way.

The insistence by the Office that the step of displaying buying power and rule description boxes is nonfunctional descriptive material is misplaced. Section 2106.01 of the MPEP recognizes two types of descriptive material: functional descriptive material and nonfunctional descriptive material. Functional descriptive material consists of data structures and computer programs which impart functionality when employed as a computer component. Nonfunctional descriptive material includes—but is not limited to—music, literary works, and a compilation or mere arrangement of data. Applicant is not claiming specific data displayed on a screen—a mere arrangement of data. Rather, Applicant is claiming a step in a process or a means for performing a function, elements which are clearly tied to the other elements of the claims. Each of the elements in each of the pending claims should be considered by the Office and given patentable weight.

Misinterpretation of 35 U.S.C. § 112

See Amendment and Response (dated March 29, 2010), pp. 8–10)

Contrary to the assertion by the Office, Applicant's specification discloses sufficient structure to meet the requirements of 35 U.S.C. § 112, ¶ 2 with regard to claim 25. The Office argues that the claim includes means-plus-function elements “where no structure is provided in the specification to support such usage.” *See* final Office Action, p. 12. But Applicant's specification recites a number of structural elements—including an analytical server, a data storage device having a plurality of processors, and a data input/output device. A person skilled in the art would have readily understood which structural elements disclosed in the specification would be capable of performing the recited functions. For example, a person of ordinary skill in the art would have easily understood that the disclosed analytical server could act a “means for calculating a transaction limit.”

The Office also argues that claim 25 is indefinite because “[t]he specification does not explicitly limit the implementation of the ‘means for’ structure using a specific (non-general) computer with a specific algorithm for the stated functionality.” *See* final Office Action, p. 12. As support for its arguments, the Office cites to the recent Federal Circuit decision in *Aristocrat Technologies v. International Gaming Technology*, 521 F.3d 1328 (Fed. Cir. 2008).

Applicant has already thoroughly refuted this argument. *See* Amendment and Response, pp. 9–10. The Federal Circuit has made it clear, in the very case

that the Office cites, that an applicant is not required to produce a listing of source code or a highly detailed description of the algorithm to be used to achieve the claimed functions to satisfy the statute. All that is required is the disclosure of the algorithm that transforms a general-purpose computer into a special-purpose computer programmed to perform the disclosed algorithm. In a previous action, the Office argued that specific software code was required. *See* Office Action (mailed October 27, 2009), p. 4. The Office now agrees that specific code is not required, but now argues that the Applicant is required to disclosed a detailed algorithm for carrying out each function recited in the means-plus-function claim. *See* Final Office Action, p. 4.

But 35 U.S.C. § 112 does not require a highly detailed description of each function. Applicant's disclosure includes an algorithm that transforms a general-purpose computer into a special-purpose computer; one of ordinary skill in the art would understand how to use the invention by consulting Applicant's specification. This satisfies the requirements of the statute.

CONCLUSION

The Office has failed to establish a prima facie case of obviousness, has failed to properly give patentable weight to structural features of the claims, and has misinterpreted the requirements of 35 U.S.C. § 112. Based on these legal and factual deficiencies, Applicant respectfully submits that the rejections of claims 1, 6, 7, 22–25, 28, and 32 are in error, and that all pending claims are in condition for allowance. Applicant respectfully requests that the presently pending claims be allowed.

The Director is hereby authorized to charge any fee deficiency associated with this submission (or with any submission filed in this application by this firm) to our Deposit Account No. 04-1105, under Order No. 59004(49357).

Respectfully submitted,

Date: February 4, 2011

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